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**CKYHE DISCUSSION AGREEMENT**

FMC No. **012280**

Expiration Date: Not Applicable

TABLE OF CONTENTS

<u>Article</u>	<u>Name</u>	<u>Page</u>
1	NAME OF THE AGREEMENT .....	1
2	PURPOSE OF THE AGREEMENT .....	1
3	PARTIES TO THE AGREEMENT .....	1
4	GEOGRAPHIC SCOPE.....	2
5	AGREEMENT AUTHORITY .....	2
6	AGREEMENT OFFICIALS AND DELEGATION OF AUTHORITY.....	3
7	VOTING.....	4
8	DURATION AND TERMINATION.....	4
9	APPLICABLE LAW AND DISPUTE RESOLUTION .....	4
10	COUNTERPARTS.....	5
	SIGNATURE PAGE	

**ARTICLE 1: FULL NAME OF THE AGREEMENT**

The full name of this Agreement is the CKYHE Discussion Agreement (“Agreement”).

**ARTICLE 2: PURPOSE OF THE AGREEMENT**

The Parties have been cooperating in various foreign-foreign trades with considerable success. The purpose of this Agreement is to authorize the Parties to discuss and determine whether and how the synergies and efficiencies that have characterized their foreign-foreign cooperation might be replicated in the U.S. foreign trades. Toward that end, the Parties are empowered to discuss a wide range of options regarding possible cooperation, and to exchange information relevant to the evaluation of such options, in order to provide the highest quality, most efficient service(s) in the trade and to optimize the use of each Party’s assets.

**ARTICLE 3: PARTIES TO THE AGREEMENT**

The parties to the Agreement are:

1. COSCO CONTAINER LINES COMPANY, LIMITED ("COSCON")  
378, Da Ming Road (East)  
Shanghai, The People's Republic of China
2. KAWASAKI KISEN KAISHA, LTD. (“K” Line")  
Iino Building  
1-1, Uchisaiwaicho 2-chome, Chiyoda-ku  
Tokyo, 100-8540 Japan
3. YANG MING (UK) LTD. ("YMUK")  
2nd Floor  
210 South Street  
Romford, Essex, RM1 1TG, U.K..
4. HANJIN SHIPPING CO., LTD. ("HJS")  
Hanjin Shipping Building  
25 Gukjegeumyung-ro 2-gil, Youngdeungpo-gu  
Seoul, Korea
5. EVERGREEN LINE JOINT SERVICE AGREEMENT [FMC Agreement No. 011982  
("ELJSA")]  
No. 163, Sec. 1, Hsin-Nan Road  
Luchu Hsian, Taoyuan Hsien, 338,  
Taiwan

The above may be referred to individually as a “Party,” or jointly as “Parties.”

**ARTICLE 4: GEOGRAPHIC SCOPE**

The geographic scope of the Agreement is all trades between the United States and foreign countries (the "Trade").

**ARTICLE 5: AGREEMENT AUTHORITY**

- 5.1 The Parties are authorized to discuss and agree upon any and all forms of operational and administrative cooperation in the Trade permissible under the Shipping Act of 1984, as amended, codified at 46 U.S.C. § 40101, et seq. ("Shipping Act"), but not competitive cooperation about the rates and charges for their customers such as that excluded in Section 5.6. This includes, but is not limited to, the following:
- (a) All matters relating to cooperation with respect to vessels and harmonization of the Parties' services on a global basis, including but not limited to any type of alliance, vessel-sharing agreement, one-way or two-way slot charter, or joint string(s), and feeder or transshipment services related to such linehaul cooperation.
  - (b) All matters relating to cooperation with respect to goods and services that may be procured by the Parties, such as terminal, stevedoring, tug, M&R, cargo handling, environmental, bunker fuel, other fuels, equipment, use of land transportation facilities and services, container centers, and other goods and services.

As used in this Agreement, the words "include," "includes" and "including" shall be read as if followed by the phrase "but [is] not limited to."

- 5.2 In discussions under this Agreement, the Parties are authorized to discuss all aspects and information relevant to evaluating any proposed form of operational or administrative cooperation. For example, in discussing vessels, the Parties may discuss the nature of the products they might offer, such as number, size, and port coverage of vessel services, port rotations and sailing schedules, and the vessels that might be included (including the size, type, speed, and other characteristics of such vessels, and the Parties that might furnish vessels). Likewise, in discussing cooperation with respects to goods and/or services, the Parties may discuss matters such as the projected costs and benefits, and the use of assets owned by individual Parties or their affiliates.
- 5.3 The Parties are authorized to obtain, compile, maintain, exchange, and discuss information, including records, statistics, studies, agreements, projections (including supply and demand), data and documents of any kind or nature, whether prepared by one or more of the Parties or obtained from outside sources,

relating to or for purposes of carrying out the authority provided by Sections 5.1-5.2. While it is anticipated that the Parties will rely primarily upon publicly-available information, in deciding whether/how to cooperate, they are also authorized to exchange and consider commercially sensitive information, including the prices that Parties currently pay to providers of goods and services. The Parties are authorized to develop protocols regarding the identification, use, and protection of such commercially sensitive information.

- 5.4. The Parties may hire and retain consultants, subcontractors, or other third parties to carry out the purposes of this Agreement or any responsibilities or duties discussed, established, or agreed upon under this Agreement, subject to agreement regarding costs in connection with such hiring. The Parties may also meet, discuss, exchange information, and reach agreement with regard to the use of contractors, technology, databases, data, or information used by them or their affiliates.
- 5.5. The authorities to discuss, exchange information, and retain third parties set forth in Sections 5.1 through 5.4 also apply to any two or more Parties. In particular, any two or more Parties reserve the right to discuss matters and exchange information among themselves to reach a common position.
- 5.6. This Agreement does not authorize the Parties to discuss the rates or charges that they might (or currently do) charge shippers, to discuss service contract matters, or to discuss capacity rationalization as defined in 46 C.F.R. § 535.104(e). Nor are the Parties authorized to discuss the identity of their customers or the terms and conditions agreed to with such customers.
- 5.7. Any agreement reached by the Parties pursuant to this Agreement shall not be implemented prior to compliance with the filing and effectiveness requirements of the Shipping Act and implementing FMC regulations (or other legal regimes), to the extent required by law.

#### **ARTICLE 6: AGREEMENT OFFICIALS AND DELEGATIONS OF AUTHORITY**

- 6.1. This Agreement shall be administered by the Parties and/or their duly authorized representatives. The activities authorized in this Agreement may be carried out through meetings, telephone communications, video conferences, electronic mail or other electronic communications, writings and/or such other means of communications as the Parties may deem appropriate. The Parties may establish such committees as they deem desirable for the furtherance of the purposes of this Agreement. The Parties are authorized to share administrative costs and other costs as they may agree from time to time.

6.2. The following are authorized to subscribe to and file this Agreement and any accompanying materials and any subsequent modifications to this Agreement with the Federal Maritime Commission:

- (i) Any authorized officer of a Party; and
- (ii) Legal counsel of a Party.

**ARTICLE 7: VOTING**

Except as otherwise provided herein or by the Parties, decisions under this Agreement shall be made by unanimous agreement of the Parties.

**ARTICLE 8: DURATION AND TERMINATION**

- 8.1. The effective date of this Agreement shall be the date it becomes effective under the Shipping Act and implementing FMC regulations. Any Party may withdraw from the Agreement upon sixty (60) days' written notice to the other Parties (which may be provided by email followed by certified letter). The Agreement may be terminated at any time by agreement of all Parties, or when all but one of the Parties has withdrawn in accordance with this Section.
- 8.2. Termination of the Agreement or withdrawal of a Party shall not affect any of the Parties' rights, obligations and/or liabilities under this Agreement vis-à-vis another Party that accrued prior to termination/withdrawal.

**ARTICLE 9: APPLICABLE LAW AND DISPUTE RESOLUTION**

- 9.1. This Agreement shall be governed by and construed in accordance with the laws of England, except that nothing shall relieve the Parties of their obligation to comply with the Shipping Act of 1984.
- 9.2. All disputes or differences arising under this Agreement that cannot be amicably resolved shall be referred to arbitration in England in accordance with the Arbitration Act 1996, or any statutory modification or re-enactment thereof. The arbitration shall be conducted in accordance with Rules of the London Maritime Arbitration Association ("LMAA") then in force. The Parties shall mutually agree upon a single arbitrator, failing which a single arbitrator shall be appointed by the President of the LMAA. In appointing such arbitrator, the President of the LMAA shall select an arbitrator familiar with the business of container shipping, who has not served as a party arbitrator for any of the parties to the dispute during the last five (5) years and who shall have no financial or personal interest whatsoever in any party to the dispute and shall not have acquired a detailed prior knowledge of the matter in dispute.

Where the amount in the claim is less than US\$400,000 but greater than US\$100,000, the Parties agree that the arbitration shall be conducted in accordance with the LMAA FALCA Rules in use at the time of the dispute or difference. The Parties further agree that where the amount of the claim is US\$100,000 or less, the arbitration will proceed on a documents and written submission basis only using the LMAA Small Claims Procedure in use at the time of the dispute. However, oral evidence will be allowed exceptionally and at the discretion of the arbitrator(s). In the event that any claim exceeds US\$400,000, the arbitration shall be conducted under LMAA Terms (2012) or any such later terms as may be in use at the time of the dispute. For the purpose of this Article, a "claim" shall consist of all claims in respect of one occurrence or accident or series of occurrences or accidents arising out of one event.

Notwithstanding the above clauses, the Parties agree to consider mediation at the time of appointment of an arbitrator and without prejudice to the arbitration proceedings. Such mediation shall be conducted under the LMAA Mediation Terms (2012) or any such later terms as may be in use at the time of such dispute.

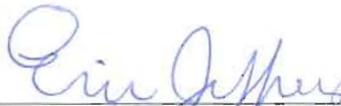
**ARTICLE 10:**        **COUNTERPARTS**

This Agreement and any future amendments hereto may be executed in counterparts. Each such counterpart shall be deemed an original and all together shall constitute one and the same agreement.

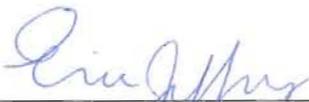
SIGNATURE PAGE

In Witness Whereof, the Parties have caused this Agreement to be executed by their duly authorized representatives as of the 22<sup>nd</sup> day of May, 2014.

COSCO CONTAINER LINES  
COMPANY, Limited

By:   
Name: Eric Jeffrey  
Title: Legal Counsel

KAWASAKI KISEN KAISHA, LTD.

By:   
Name: Eric Jeffrey  
Title: Legal Counsel

YANG MING (UK) LTD.

By:   
Name: Eric Jeffrey  
Title: Legal Counsel

HANJIN SHIPPING CO., LTD.

By:   
Name: Eric Jeffrey  
Title: Legal Counsel

EVERGREEN LINE JOINT SERVICE AGREEMENT

By:   
Name: Eric Jeffrey  
Title: Legal Counsel